



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

April 17, 2003

IN REPLY PLEASE

REFER TO FILE: **AE-3**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**JOB ORDER CONTRACT FOR
REPAIR AND REHABILITATION OF COUNTY FACILITIES
AWARD CONTRACT
SPECS. VARIOUS
ALL SUPERVISORIAL DISTRICTS
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT
YOUR BOARD:**

1. Award a Job Order Contract to MTM Construction Inc., for a one-year contract period for a maximum cost of \$3 million to be financed from the appropriate Public Works fund or capital/refurbishment project budget.
2. Authorize the Director of Public Works to prepare and execute the JOC in the form previously approved by County Counsel, and establish the effective date following receipt of approved Faithful Performance and Labor and Materials Bonds filed by the contractor.
3. Authorize the Director of Public Works to execute work orders not to exceed the maximum amount of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board award a JOC to MTM Construction Inc., the apparent lowest responsive and responsible bidder, for repair and rehabilitation of County facilities for a maximum not to exceed fee of \$3 million for a one-year contract.

The JOC is a cost-effective unit price contracting technique to accomplish repair and refurbishment of County facilities without extensive plans and specifications. Public Works has used 12 previous JOCs to repair or refurbish County buildings. This relatively simple and straightforward process reduces administrative requirements and lowers direct construction costs, while meeting all Federal, State, and County procurement requirements.

On October 8, 2002, your Board authorized the Director of Public Works to award a one-year JOC for a not to exceed fee of \$3 million. The entire amount has been allocated for capital projects and earthquake repairs in the courts, health, justice, and general project areas. A new JOC is needed for additional capital project related work.

The Public Contract Code Section 20128.5 allows individual JOC contracts to have a one-year term and maximum value of \$3 million.

We will report activity on the JOC to your Board quarterly along with our regular report on delegated contracting activity.

Implementation of Strategic Plan Goals

This action meets the County Strategic Plan Goals of Service Excellence and Organizational Effectiveness as this construction contract will improve public facilities and restore them fully into service sooner than with traditional construction contracting.

FISCAL IMPACT/FINANCING

The recommended construction contract with MTM Construction Inc., is \$3 million. There is no anticipated additional fiscal impact to the County as a result of this action. No work will be assigned to the JOC Program without the prior review and approval from the Director of Public Works or the Chief Administrative Office, as applicable.

The contract will be administered by Public Works. The repair or refurbishment work will be financed through the appropriate Public Works fund or capital/refurbishment project budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses for contract terminations, renegotiations, and hiring qualified displaced County employees will be included.

MTM Construction Inc., as required on all publicly funded projects in excess of \$1,000, will be required to pay prevailing State wage rates to all persons employed on the JOC.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, MTM Construction, Inc., is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

MTM Construction Inc., is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws.

The project specifications also contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

ENVIRONMENTAL DOCUMENTATION

The implementation of each work order under this JOC shall be subject to prior determination and documentation by Public Works that the work order is categorically exempt from the California Environmental Quality Act. In the event the work order is not exempt, your Board will be requested to approve the appropriate environmental finding and documentation prior to implementation. Federally funded work orders shall be subject to an environmental determination by the appropriate federal agencies.

CONTRACTING PROCESS

On February 18, 2003, your Board adopted the JOC Unit Price Book and Specifications for the repair and refurbishment of County facilities and instructed the Executive Officer to advertise for bids. Three competitive bids were received on March 25, 2003. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book. The bid was determined by calculating a composite factor using a predetermined and advertised formula. MTM Construction Inc., was the apparent lowest responsive and responsible bidder meeting the criteria adopted by your Board. The JOC Unit Price Book and the contractor's adjustment factors will be incorporated in the awarded contract. The bid results are summarized in Enclosure A.

MTM Construction Inc.'s three-year contracting history is on file with Public Works.

To ensure the contract is awarded to a responsible contractor with a satisfactory performance history, bidders were required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported by MTM Construction Inc., was considered before making this recommendation to approve execution of the contract.

As requested by your Board on February 3, 1998, this JOC opportunity was listed on the "Doing Business with the County" website. A copy of the website posting is included as Enclosure B for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contract as this contract is for non-Proposition A services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of this contract will expedite the completion of County construction repair or refurbishment work managed by Public Works. Minor impacts to tenant departments will occur while repair or refurbishment work is underway.

The Honorable Board of Supervisors
April 17, 2003
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CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

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Enc. 2

cc: County Counsel
Department of Public Social Services (GAIN/GROW Program)
Office of Affirmative Action Compliance

April 17, 2003

ENCLOSURE A

**JOB ORDER CONTRACT FOR
REPAIR AND REHABILITATION OF COUNTY FACILITIES
AWARD CONTRACT
SPECS. VARIOUS**

Bid Opening Date: March 25, 2003

Bid Summary:

<u>Bidder</u>	<u>Total Composite Factor</u>
1. MTM Construction, Inc.	1.1250
2. Gonzales Construction	1.2368
3. Omni Building Services	1.3155